Top Secret

Mr. Savage
Mr. Merriam

ARABIAN AMERICAN OIL COMPANY

SHOREHAM BUILDING

WASHINGTON 5, D. C.

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POLICY PLANNING STAFF

MAR 7 1949

Department of State

Mr. George F. Kennan
Director, Policy Planning Staff
Department of State
Washington 25, D. C.

Dear Mr. Kennan:

In reply to your letter of February 25, 1949, I am glad to enclose herewith a copy of the summary of remarks made to me by certain Near East personalities in private interviews during my recent visit. I have not included interviews with two Chiefs of State and three Prime Ministers, whom I do not have permission to quote.

Sincerely yours,

Bill Eddy

William A. Eddy

Enclosure
WAE/jk

Sorry to be late in complying with your request but I have had another siege at the Naval Hospital

TOP SECRET

K E Y

A. Member of a leading Palestinian family, who has lived in England and U.S.A.
B. A Leader of Opposition — Syria.
C. A Diplomat. *
D. A Diplomat. *
E. A Diplomat. *
F. Member of a leading Palestinian family, educated in American schools.
G. Minister of State in an Arab Country.
H. A Diplomat. *
I. An Official Observer in Palestine.
J. A Diplomat. *
K. A Former Ambassador from an Arab Country.
L. A Former OSS Official, still engaged in intelligence work in the Near East.
M. An Arab Military Commander.
N. A Diplomat. *
O. A Diplomat. *
P. Minister of State in an Arab Country.

(*) In the Foreign Office, or in the Diplomatic Corps of an Arab Country.

SUMMARY OF COMMENTS BY CERTAIN PERSONALITIES MADE IN PRIVATE INTERVIEWS — December 17, 1948 to January 19, 1949.

A. "Propaganda has failed; the U.N. has failed; the Arabs are divided. What is the use of empty threats by Farouk, Ibn Saud, etc., when there is nothing they can deliver?

"Abdulla at least has a program. No one else is acting effectively. He is the lesser of evils, although he is not reliable himself. But he might stop the Jews.

"Syria suffers from no program. There is profound discontent, a demand for a real economic program. Otherwise the country will be bankrupt and in chaos.

"Only a Greater Syria will provide the economic means to enable the northern Arab countries to avoid revolution and escape Communist domination. This Greater Syria, however, should not be under the crown of Abdulla of Transjordan, but under the crown of the King of Iraq, with viceroys representing him in Syria, Transjordan, and Palestine.

"The northern countries cannot hope for support from Egypt or Saudi Arabia from which they are separated physically by Israel and by the unreliable British puppet, King Abdulla. In spite of the infiltration of Iraq by Communist propaganda, I feel sure that Iraq is more secure than Egypt, where the Muslim Brotherhood will continue its assassinations, and where King Farouk keeps a plane fueled up for a quick departure to his happy hunting grounds in Rhodesia."

B. "I have no confidence in the new Syrian Government even though I have consented to serve in it. Syria cannot be saved by a reshuffling of the same faces in the Government — most of whom are content to hold office and draw salary. Syria cannot be lifted from its demoralized condition after the Palestine defeats, or preserved from the threat of bankruptcy and of civil strife unless there is a profound reform and a constructive economic program reaching and benefitting the common people. So far as Aleppo is concerned, we have no reason to believe that the new Syrian Government will be any better than its predecessors."

C. "The last chance for a peaceful and reasonable solution of the Major Powers was the Bernadotte Proposal for the frontiers between Israel and Arab Palestine. At that time I still believed that there was a chance for U.N. officials and the general American public to consider limiting Israel to reasonable frontiers which would leave in Arab hands the principal centers of Arab population. Unfortunately no Major Power supported the Bernadotte Plan. After Bernadotte's assassination, I spoke with the two top men responsible about the solution I have described, and both said, 'Yes, that is a very sensible plan and a very fair solution if it could be arranged.' But nothing ever happened about it. It was like a subject of the weather — which Mark Twain said everybody talks about but no one does anything about."

D. "Strange as it may seem to you, I now favor the partition of Palestine. Convinced as I am that the Zionists will continue their aggressive policy of expansion in the effort to exploit the Arab World, I think we Arabs are much better off to have Israel behind definite frontiers resulting from partition than to have to include the Zionists in a single State of Palestine and have them, with their propaganda and endless financial resources, gradually work from within Arab Councils and the Arab League to undermine Arab interests. I believe it is better to have your enemy in a neighboring lot with a fence between, behind which he is supposed to stay, than it is to have him as a part-owner of your own farm with freedom to roam all over your own house and property."

E. "I am concerned about nepotism in the Saudi Arab Government, especially with regard to the Royal Family and the Minister of Finance. Other advisers of the King seem to rise or fall in accordance with their personal services, but the Minister of Finance is entrenching members of his family in positions of Government responsibility without regard to their competence. His nephew, who is practically an idiot, is getting too much control of finances. Although the King makes good use of a few of his older sons, some of the others are intriguing and running up debts in a way that does not promise well for their conduct if the King should die, and they should be free to suit themselves. In my opinion, Saudi Arabia is entirely too much bound to the Royal Family and to the family of the Minister of Finance, without any opportunity for others to reach positions of responsibility."

F. "I myself and a number of my family have lost all faith in the program of the Mufti and in any of the Arab leaders proposing plans for Palestine. Together with three of my cousins, I am now living in Aleppo where we are in close touch with the Communist agents with whom we meet regularly. As a good Muslim, I do not believe in the Communist doctrine, but I also do not believe that Russia is helping the Jews because she cares about them. Opposed as we are by American sympathy for Israel, and abandoned as we are by the British who used to supply us with arms, we shall look for help wherever we think we may find it; and I believe that we may find help in Russia, to whom your country also turned when you were fighting for survival in the recent war."

G. "We still feel the way we did about Palestine, but the Arab program for Palestine has been defeated for the time being; in fact, there was never really any agreement on an Arab Plan for Palestine. King Abdulla would sell his fellow Arabs into slavery or permit them to perish if he could increase his own power. You may be sure that Saudi Arabia will follow a realistic course in its own national interest and will not be diverted by any sentimental or fanatical considerations, nor by any foreign interference. Insofar as we can do so without the loss of independence we shall cooperate fully with Americans and British in economic matters and in the technical developments needed in Arabia, but in politics we shall be very careful before deciding what other countries or governments will be our friends."

H. "I believe that popular enthusiasm for Israel has passed its peak with the successful establishment of that State. I understand that some of the principal Jewish supporters are already cutting down their contributions, and it may be that financial resources will steadily dry up. If this is understood and believed by Israeli leaders, they may be willing to compromise their ambitions and settle down in a limited state such as the territory they now occupy. If, on the other hand, they are confident of continuing resources, the extremists may win out, and they may continue to seize additional territory. This continues to be the chief threat to peace. The United Nations has not been able to agree on definite borders for the Israeli State which already administers territory it was never contemplated she should have; and without agreement among the powers to establish the frontiers, the hope for peace depends upon the reasonableness of both Jews and Arabs in accepting boundaries that constitute a compromise, and then remaining within those boundaries."

I. "The leaders and the people of Israel, as I have seen them in Haifa, Tel Aviv and elsewhere during the past eight months, are exultant and confident as a result of their victories, and of their recognition by the world powers. They include many men with brains and ability, and they have ambitious plans for their State.

"In spite of what some Israeli leaders have claimed, the Israelis drove the Arabs from their homes and never invited them to remain peacefully in Israel until after they had left and their property had been confiscated. The homes have been and are being rapidly filled with Jewish immigrants. This is true of the cities and towns; as for the small villages and farms, the present procedure is to obliterate and plow up the Arab hamlet or farm and build a Jewish settlement with a new name, wiping out all trace or record of their previous Arab location and property. The purpose in all of this is freely admitted — that the Israelis want to make impossible the compensation of Arabs driven out even though such compensation should be forced upon them in principle by some world authority. How can one estimate the value of a home and property which has been obliterated, and of which no record remains? There is no question about it in my mind: Arabs will not be permitted to return to Israel and compensation will not be made to them. On the other hand, there is a desperate effort being made to invite back certain Arabs with Communist leanings who may be used for propaganda purposes against their fellow Arabs. A few hundred such Arabs have returned upon the invitation of Israeli authorities.

"The Israeli military leaders have told me that if the first truce had not come when it did they would have lost the war. During the three months following the first truce, the airplanes-with-mechanics which arrived from Czeckoslovakia and the arms and explosives purchased in many places, coupled with the complete embargo on arms to the Arabs and political dissension among the Arabs gave the Israelis a striking force which was decisive.

"Israel still faces a major problem even if she does succeed in controlling her extremists and expansionists. This is the problem of maintaining the standard of living which she has thus far enjoyed by virtue of a very high subsidy from abroad. The cost of living in Haifa and Tel Aviv is 500% of the average cost of the period 1933 to 1939. There is no cheap labor; wages and rents are exhorbitant.

"The people cannot possibly live off the land and sell their produce to compete with the Arabs in neighboring countries, who are raising the same fruits and vegetables at less cost. The danger in this situation is that Israel will not accept a lower standard of living nor reduce her population to the number which the land would support. She expects to maintain the prosperity of the country either (1) by continued financial support from the Jews of the world and their sympathizers, or (2) by exploitation of the neighboring Arab countries where she expects to find the cheap labor and the raw materials."

J. "I have seen Bunch and General Riley several times. Both were hopeful of a Palestine settlement, if Zionists could be restrained.

"British General Gale, commanding Suez Canal Zone, and U.S. Admiral Sherman, are ready to act to protect their nationals, or evacuate them from the area.

"Ambassador Griffis acted on the Bernadotte Plan, sought to secure Arab agreement to it, only to be slapped down by Washington. One day Griffis told me he had received the same day four telegrams from Washington all mutually contradictory... Wealthy Jewish friends of Griffis in the U.S.A., when tried to secure their support for the Bernadotte Plan, slapped him down and refused to back him as they promised to do... Griffis hoped to get Egypt in line, to have Egypt withdraw from the Arab group and align itself with the West, leaving Syria and Lebanon in the lurch... Griffis never permitted any telegram or despatch from the Embassy to carry any anti-Jewish news, nor any anti-Arab news. Ireland is more free to report the truth of Israeli violations, etc., since Griffis has left... Israeli recruits in the last six months have been 40% from behind the Iron Curtain."

K. "Britain is backing Abdulla of Transjordan, with the purpose of Balkanizing the other Arab countries and making them come crawling to Britain for protection and separate treaties. It is all a matter of arms, planes, military transport, and Britain will deal it out to her puppets alone."

L. "Syria will go to pieces in time. There is no powerful friend, too many centrifugal forces pulling it apart. Abdulla is nothing in himself, no resources, natural or financial. He must therefore be a puppet and cannot act independently. He is a safe investment until the British drop him."

M. "A die-hard: Arabs must maintain morale and never compromise. I was against war but having embarked, the Arabs must keep it up, cold and hot, until victory, no matter how many years. Morale must be sustained. Dunkirk, Stalingrad, prove one can survive temporary battle defeats, provided the will-to-victory remains. Abdulla will be thrown out of Arab League, and the fight will go on. The Israelis are NOT invincible. How can three-fourths of one million Jews overcome thirty-five million Arabs in the long run?"

N. "Lebanon -- most stable and reliable Arab country. Tapline would be decisive in its economy, and successful. Griffis is wrong in urging Egypt as a better route. Egypt's future will be decided by other factors. (You cannot marry Egypt to reform her -- she is too far gone.) Egypt is less secure as a pipeline route than Lebanon.

"Syrians are convinced of Tapline's value. When a government is formed it will ratify early. To be sure, Syria is precarious, and in a couple of years it may be broken up by the Greater Syria plots of Abdulla, but whoever owns and governs the Tapline area will probably be sensible enough to protect it.

"When I got an autographed photo from Abdulla, the King signed it in red ink, 'the color of the Hejaz', but I think Britain would not allow Abdulla to attack Saudi Arabia.

"In time, Abdulla will probably take over the Jebel Druze and Damascus. He will not touch Lebanon which, he said, 'is like a beehive, very active and full of honey, but better not stick your finger in.' At the same time, the Communists may take over northern Syria, the Jerzirah, Aleppo, etc. The Soviet Minister to Syria and Lebanon, reported to be on indefinite leave or transfer, suddenly returned to his post."

O. "In our opinion, no Syrian Government formed now will be stable. The discontent is too profound.

"Well-known Communist sympathizers among the Arab refugees have been invited back to their homes by Israel, and have gone back. Russia is arming Israel and preparing some day to take over the internal government. The Israelis have been successful in winning the favor of observers by lavish hospitality, including champagne and Jewish women."

P. "The U. S. Government has lost both Israel and the Arabs. Israel is already a tool of Russia. The Arabs can never cooperate with Russia but they have lost all faith in the U. S. Their only hope is to refuse to agree to any rape of their land. Let the Jews seize what they can, they will over-extend themselves and fail in the end. The Arabs will not and cannot submit."